

APPENDIX H
CLEANUP AND ABATEMENT ORDER 98-125



Peter M. Rooney
Secretary for
Environmental
Protection

California Regional Water Quality Control Board

Los Angeles Region

Internet Address: <http://www.swrcb.ca.gov>
101 Centre Plaza Drive, Monterey Park, California 91754-2156
Phone (213) 266-7500 or FAX (213) 266-7600



Pete Wilson
Governor

December 22, 1998

Mr. Bruce Harrigan
Vice President
Playa Capital Company, LLC
Playa Phase I Commercial Land Company, LLC
12555 W. Jefferson Boulevard, Suite 300
Los Angeles, CA 90066

**CLEANUP AND ABATEMENT ORDER NO. 98-125, PLAYA CAPITAL COMPANY, LLC., AND
PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC., 6775 CENTINELA AVENUE, LOS
ANGELES (FILE NO. 98-192)**

Dear Mr. Harrigan:

Enclosed is Cleanup and Abatement Order No. 98-125, directing you to cleanup and abate the discharges of contaminants into soil and groundwater from historical land use and former aircraft manufacturing operations located at 6775 Centinela Avenue, Los Angeles. This Order is issued under section 13304 of the California Water Code. Should you fail to comply with any provision of this Order, you may be subject to further enforcement action, including injunction and civil monetary remedies, pursuant to appropriate California Water Code sections including, but not limited to, sections 13304, 13350, 13385, and 13386.

If you have any questions concerning this Order, please contact Dr. Rebecca Chou at (213) 266-7607.

Sincerely,

DENNIS A. DICKERSON
Executive Officer

cc: see mailing list

Enclosure

California Environmental Protection Agency



Our mission is to preserve and enhance the quality of California's water resources for the benefit of present and future generations.

STATE OF CALIFORNIA
CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LOS ANGELES REGION

CLEANUP AND ABATEMENT ORDER NO. 98-125

REQUIRING PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
AND PLAYA CAPITAL COMPANY, LLC
TO CLEANUP AND ABATE
CONDITIONS OF SOIL AND GROUND WATER POLLUTION
CAUSED BY THE RELEASE OF VOLATILE ORGANIC COMPOUNDS, METAL, AND
PETROLEUM HYDROCARBON

(FILE NO. 98-192)

INTRODUCTION

Releases of contaminants have been documented at the Playa Vista Phase I project site located in Los Angeles, California. Waters of the State have been adversely impacted by these releases. Investigations have been conducted that document soil and groundwater contamination still present despite remediation measures put in place by the responsible parties.

The California Regional Water Quality Control Board, Los Angeles Region, finds:

1. Playa Phase I Commercial Land Company, LLC and Playa Capital Company, LLC (hereinafter called Playa) own a 1,087 acres site (Playa Vista property) located at 6775 Centinela Avenue in Los Angeles, California. The Playa Vista property is bounded by Vista del Mar Avenue and Marina del Rey on the west, Fiji Way and Jefferson Boulevard on the north, the 90 Expressway, Bay Street and Centinela Avenue on the east, and the Westchester Bluffs on the south.
2. The development project for the Playa Vista property is divided into two phases in four locations, Areas A, B, C, and D, as shown in Figure 1. Area A is to the north of Ballona Creek and west of Lincoln Boulevard. Area A is mostly vacant and contains several gas injection wells and a portion of a subsurface natural gas storage field operated by Southern California Gas Company (SCG). Area B is to the south of Ballona Creek and west of Lincoln Boulevard. Area B consists of mostly vacant land or wetland, and contains several natural gas injection wells and the natural gas storage field operated by SCG. Area C is to the north of Ballona Creek and east of Lincoln Boulevard, and is composed of open land and four baseball fields. Area D is to the south of Ballona Creek and Jefferson Boulevard and east of Lincoln Boulevard. Area D contains vacant land, Centinela Ditch and the former Hughes Aircraft manufacturing facility.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

The Phase I project consists of mixed-use development of Area D and part of B for a total of 280.5 acres, including residential (Vesting Tentative Tract Map No. 49104), commercial (office, retail space, and 53 acres for the Dreamworks project – Entertainment, Media, and Technology District (EMTD), which includes both Vesting Tentative Tract Map No. 49104 and Tentative Tract Map No. 52092), and 80 acres of open space/habitat areas (including 34.2 acres of freshwater marsh/upland/water control structures within Area B). The Phase II project would involve the restoration of a salt marsh, known as the Ballona wetlands, located in Area B, the development of a marina and a hotel within Area A, and developments in Areas C and D.

3. Prior to the early 1920s, the Playa Vista property consisted of undeveloped open land and wetlands. During the 1920s and 1930s, portions of the subject property were used for agricultural and residential purposes. Beginning in 1941, the eastern portion of the subject property was developed for industrial purposes, primarily aircraft production, and continued to expand during the 1950s and 1960s when the industrial plant was used for the development and manufacture of radar systems and helicopters. The facility was operated by Hughes Aircraft Corporation and Hughes Helicopters Corporation. From 1982 through 1994, the facility was operated by Hughes Aircraft McDonnell Douglas Helicopters. Manufacturing operations ceased in 1994. Several of the larger buildings are currently used by various movie and television studios.
4. Hargis & Montgomery, Inc. conducted investigations at the 230-acre former Hughes facility (Hughes) in Area D from 1983 to 1986. Various petroleum hydrocarbons, volatile organic compounds (VOC), and metals were identified in soil and groundwater, resulting from the historical on-site operations, as documented in *Phase I Investigation of Groundwater Quality and Hydrogeologic Conditions*, dated March 27, 1984, *Phase II Investigation of Groundwater Quality and Hydrogeologic Conditions*, dated January 15, 1985, *Phase III Investigation of Groundwater Quality and Hydrogeologic Conditions*, dated April 15, 1986, and *Investigation of Gasoline Contamination*, dated April 15, 1986. The results are summarized below:
 - (a) Concentrations of benzene at 80 mg/kg, toluene at 77 mg/kg, xylenes at 160 mg/kg, and trichloroethylene (TCE) at 3 mg/kg, were detected in soil.
 - (b) The Hughes site is underlain by the Bellflower aquitard, the Ballona aquifer and the Silverado aquifer. These three aquifers are hydraulically connected. Organic compounds have been detected in groundwater occurring in the Bellflower aquitard, the Ballona aquifer, and the upper portion of the Silverado aquifer. Concentrations of contaminants detected on-site include trans-1,2-dichloroethylene (DCE) at 20,000 µg/L, TCE at 6,600 µg/L, 1,1-dichloroethane (DCA) at 3,320 µg/L, 1,1-DCE at 420 µg/L, and arsenic at 200 µg/L in the upper portion merged

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

Bellflower/Ballona Aquifer and trans-1,2-DCE at 51 µg/L, TCE at 13 µg/L, and toluene at 20 µg/L in the Silverado Aquifer.

- (c) Based on data collected on June 5, 1985, a free gasoline plume, up to 2.02 feet thick, reportedly covers an area of approximately 0.3 acres west of Building 11. The dissolved gasoline plume extends approximately 1,000 feet downgradient (east) of the free gasoline plume and is approximately 400 feet wide.
 - (d) A VOC plume about 1,000 feet wide and 3,000 feet long, covering about 60 acres, is present in the eastern portion of the Hughes site.
5. During October 1986, ten underground storage tanks (UST) for various fuels, located south of Teale Street approximately one half mile east of Lincoln Blvd. in the Hughes site, were removed. Soil samples collected after tank removal indicated localized spills resulting from surface spillage or tank overfill. No saturated soils resulting from tank leaks or standing product on top of groundwater were observed as reported in *Howard Hughes Properties Fuel Storage Area Closure Report*, dated December 31, 1986, prepared by McLaren Environmental Engineering (MEE).
6. In 1987, MEE recommended remedial measures based on the investigation of 21 potential sources of chemicals found in groundwater at the Hughes site resulting from approximately 60 years of agricultural activities and 35 years of industrial activities. The details are documented in *Site Investigation and Evaluation of Remedial Measures Report*, dated May 8, 1987 and summarized below:
- (a) The shallow groundwater beneath the site occurs at depths ranging from 6 feet to 25 feet. Groundwater flow directions are northwesterly to northerly on the western one-third of the Hughes site and easterly to northeasterly on the eastern two-third of the Hughes site.
 - (b) Ten sites were identified as potential sources of chemicals to groundwater, including the Fire Training Burn Pit, the Salvage Yard Underground Sumps, the Former Drum Storage Area, the Storm Drain Discharge Area, the Building 12 Clarifier and Test Sump, the Building 15 Utility Trenches and Sump, the Building 14 Clarifiers, the Building 11 Tanks, the Building 35 Organics Sump, and the Underground Tank south of Building 5.
 - (c) Eight sites with soil contamination do not appear to have a significant impact on groundwater quality. These include the Test Site 3 Drum Racks, the Test Site 2 Drum Racks, the Unpaved Temporary Drum Storage Areas, the Remote Test Site Burn Area, the Engine Cleaning Pits, the Building 32 Runoff Area, the Liquid Waste Neutralization Pit, and the Oil and Grease Pit.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

- (d) Three sites require supplemental investigation to identify potential impacts on groundwater. These include the Purged Fuel Storage Area, the Underground Tanks north of Building 12, and the Clarifier south of Building 21.
- (e) The maximum concentrations detected in soil include TCE at 20,000 µg/kg, PCE at 340,000 µg/kg, carbon tetrachloride at 340,000 µg/kg, TPH at 370,000 µg/kg, benzo(a)pyrene at 1,600 µg/kg, pyrene at 1,000 µg/kg, copper at 7,000 mg/kg, 4,4'-DDE at 15 µg/kg, and PCBs at 29,000 µg/kg.
- (f) The maximum concentrations detected in groundwater include TCE at 10,000 µg/L, PCE at 10,000 µg/L, TCA at 400,000 µg/L, Trans-1,2-DCE at 20,000 µg/L, vinyl chloride at 5,000 µg/L, benzene at 6,000 µg/L, toluene at 60,000 µg/L, ethylbenzene at 30,000 µg/L, xylenes at 300,000 µg/L, methyl ethyl ketone (MEK) at 20,000 µg/L, TPH at 1,000 mg/L, lead at 30,000 µg/L, arsenic at 410 µg/L, cadmium at 30 µg/L, mercury at 170 µg/L, 4,4'-DDT at 0.31 µg/L and alpha-BHC at 0.65 µg/L.
- (g) This MEE report concludes that the gasoline plume west of Building 11 contained product thickness of up to 5.18 feet as of December 1986.
- (h) The proposed remedial measures included removal of sumps and soil containing chemicals and the design and construction of a groundwater pump and treat system.

On June 30, 1987, the Regional Board approved the proposed remedial measures with conditions of a detailed work plan with a timetable and removal of gasoline free product near Building 11.

7. From March 1987 to June 1987, the first phase of soils remedial excavation was performed on the western 120 acres of the Hughes site as documented in *Remediation Report First Phase - West Side Soils, Howard Hughes Properties*, dated October 1987, prepared by MEE. The soil remediation included (a) removal of four sumps and excavation of adjacent soils in the Salvage Yard Area; (b) removal of soils containing petroleum hydrocarbons at Test Site 3; (c) excavation of soils containing burn residue at the Remote Test Site; (d) excavation of soil containing petroleum hydrocarbons from the Temporary Drum Storage Area; and (e) excavation of soil containing industrial solvents from the Engine Cleaning Pits Area. Soil with concentration exceeding cleanup criteria was removed and followed by off-site disposal or on-site bioremediation.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

8. In August 1988, Maguire Thomas Partners (MTP) obtained a Waste Discharge Requirements (WDR), Order No. 88-091 (NPDES Permit No. CA0060402), on August 22, 1998 for discharges up to 576,000 gallons per day of treated groundwater to surface waters resulting from a groundwater remediation at Hughes site. MTP sold Playa Vista property to Playa Capital Company, LLC on October 17, 1997.
9. On December 5, 1988, MEE submitted a report titled *Howard Hughes Properties Fire Training Burn Pit and Salvage Yard Soil Remediation by Bioreclamation Land Farming*, dated November 1988. The report indicated that approximately 1,815 and 1,001 cubic yards of soil containing VOCs and total petroleum hydrocarbons (TPH) were removed from the Fire Training Burn Pit and the Salvage Yard, respectively, for bioremediation on site. Soil was remediated to below 100 ppm TPH and used as street construction materials.
10. In April 1989, MEE submitted *Howard Hughes Properties Annual Update Report for Plantsite Remediation*, dated April 1989, which included remediation at the Former Drum Storage Area, Salvage Yard, Storm Drain Discharge Site, Building 12 Soils/Sumps, and Building 35 Soils/Sumps/Clarifiers.
11. In 1992, MTP proposed to reinject up to 612, 000 gallons per day of treated groundwater into a series of injection wells located upgradient of the contamination plume. The purpose was to raise the groundwater level so that it would prevent migration of the contamination plume from the Hughes site as a result of dewatering activities related to a nearby sewer project. The Regional Board issued a WDR, Order No. 92-089 (NPDES Permit File No. 93-050, CI-7225), on December 7, 1992. This WDR was rescinded on May 9, 1994 when discharge was terminated.
12. In 1997, ENSR conducted additional site assessment in Playa Vista property and identified eight areas of significant potential environmental concern in addition to the 21 sites in Area D identified by MEE in 1987, except for item (f) below, which was included within the 21 sites. Results are detailed in *Data Review and Limited phase II Subsurface Site Assessment at Playa Vista Property*, dated October 1997 and are summarized as follows:
 - (a) Dredge Spoil Disposal Areas in Areas A and C: Approximately 230 acres received dredge spoil at an average thickness of 5 feet. Samples contained total and soluble lead concentrations up to 200 mg/kg and 11 mg/L, respectively.
 - (b) Centinela Ditch: Of the nine sediment samples collected from the 7,400 linear foot channel east of Lincoln Boulevard, samples contained total and soluble lead concentrations up to 210 mg/kg and 10 mg/L, respectively. This was likely due to historic traffic exhaust. One sample was near Lincoln Boulevard and the other sample was adjacent to an intersection with a stop sign.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

- (c) Building 5: The MEE 1987 assessment did not identify any areas of potential environmental concern due to limited accessibility. Additional assessment was recommended after building demolition.
 - (d) Building 6: The previous geophysical survey to locate the USTs was inconclusive. Any USTs and their appurtenant piping and associated soil contamination must be properly removed when the building is demolished.
 - (e) Building 12: Several areas with VOC contamination were identified. TCE and 1,2-DCE were detected in soil up to 480 µg/kg and 480 µg/kg, respectively.
 - (f) Building 14/15/16: Several areas with TPH and VOC contamination were identified. TPH, TCE and 1,2 DCE were detected in soil up to 6,300 mg/kg, 3,700 µg/kg and 1,500 µg/kg, respectively.
 - (g) Building 35: The soil below virtually the entire eastern half of the building is contaminated with VOC. TCE and tetrachloroethene (PCE) were detected up to 1,200 µg/kg and 4,100 µg/kg, respectively.
 - (h) Potential Methane Gas Issue: Eight out of 37 monitoring points exhibited elevated methane concentrations with two points exhibited methane concentrations in excess of the lower explosive level (LEL) and two points just below the LEL. The portions of the Playa Vista property exhibiting elevated methane concentrations included the western portions of Areas D and De, east of Lincoln Boulevard south of Ballona Creek and on both sides of Jefferson Boulevard. The elevated methane area is within the area planned for residential and commercial development. Further delineation and source identification are recommended before commencement of any development in the affected areas.
13. In October 1998, Brown and Caldwell (BC) prepared the *Workplan for Supplemental Soil Assessment, Building 12, Playa Vista EMTD*, and *Supplemental Workplan for Soil Assessment, Buildings 6, 35, and 900, Playa Vista EMTD*, to conduct additional soil investigation. The Regional Board approved both workplans with conditions.
14. In November 1998, BC submitted *Site Evaluation and Mitigation Work Plan for Playa Vista Phase I EMTD – Various Demolition Sites* for review and approval. On November 24, 1998, the Regional Board required Playa to develop soil cleanup level based on current USEPA and state guidelines, and to obtain additional soil and groundwater data supporting site closure.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

15. In December 1998, the Regional Board approved *Assessment Workplan for the Clarifier and Sump Areas, Northeast of Building 35, Supplemental Mitigation Workplan for Building 20, and Supplemental Assessment Workplan, Former Underground Storage Tanks, South of Building 5*, dated November 18, 1998, prepared by BC for additional soil and groundwater investigation. Former underground storage tanks located south of Building 5 were removed in November 1998.
16. Playa currently holds three WDRs issued by the Regional Board for different discharges related to the Phase I project, and a 401 Water Quality Certification (WQC) issued by the State Water Resources Control Board as listed below:
 - (a) Order No. 97-046 (General NPDES Permit No. CAG834001) was issued on June 30, 1997 for treated groundwater discharge into Ballona Creek. This permit replaced Order No. 88-091 (NPDES Permit No. CA0060402, CI-6839) issued on August 22, 1988.
 - (b) Order No. 97-045 (General NPDES Permit No. CAG994001) was issued on June 30, 1997 for construction dewatering of the residential development project at Track 49104-North Jefferson, which discharges into Ballona Creek. This permit replaced Order No. 91-092 (NPDES Permit No. CAG994001, CI-7648) issued on March 20, 1996.
 - (c) Order No. 90-148 (General WDR, CI-90-148-117) was issued on August 31, 1998 for land treatment of contaminated soil.
 - (d) The 401 WQC was issued on July 3, 1995, for filling 15.85 acres of wetlands and drainage ditches for Phase I Playa Vista development project. A 51.1-acre on-site mitigation plan has been proposed for compensation of impacts to the wetlands and drainages resulting from the overall development project of filling 28.08 acres of wetlands and drainage. This 401 WQC only addresses Phase I Playa Vista project.
17. The Regional Board adopted an amended *Water Quality Control Plan for the Coastal Watersheds of Los Angeles and Ventura Counties (Basin Plan)* on June 13, 1994. The Basin Plan designates beneficial uses and establishes water quality objectives for inland surface waters, ground waters, coastal waters and wetlands.
18. Beneficial uses designated for Ballona Creek include, but are not limited to water contact recreation, non-contact water recreation, warm freshwater habitat, and wildlife habitat. Beneficial uses designated for groundwater in the Santa Monica Basin underlying Playa Vista property include municipal and domestic supply, agricultural supply, industrial process supply, and industrial service supply.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

19. The First Phase Project for Playa Vista Environment Impact Report (EIR No. 90-0200-SUB(C)(CUZ)(CUB), SCH No. 90010510) was issued in May 1993. An addendum to the EIR for the First Phase project for Playa Vista was issued August 1995 and approved on December 8, 1995. A Mitigated Negative Declaration for the Playa Vista Plant Site (MND No. 95-0240(SUB)) was issued August 1995 and approved on December 8, 1995. A Notice of Intent/Notice of Preparation for Phase II of the Playa Vista Project was issued on April 25, 1995. A draft EIR is expected to be released in mid 1999.
20. This Order is an action taken for the protection of the environment and, as such, is exempt from the provisions of the California Environmental Quality Act in accordance with California Code of Regulations, Title 14, Chapter 3, Section 15321.

IT IS HEREBY ORDERED, pursuant to California Water Code (CWC) Section 13304, that the Playa Phase I Commercial Land Company, LLC and Playa Capital Company, LLC shall comply with the following:

1. Cleanup and abate the condition of soil and ground water pollution and threatened pollution to surface water and ground water caused by the release of VOC, metals and petroleum hydrocarbon by implementing the following actions:
 - (a) Implement a quarterly groundwater monitoring program. A interim groundwater sampling and analysis plan for existing on-site wells shall be submitted for review and approval by January 15, 1999. Water samples shall be analyzed, at a minimum, for VOC, metals, petroleum hydrocarbons, benzene, toluene, ethylbenzene, xylenes, methyl tert-butyl ether, metals, PCBs, and pesticides. Quarterly groundwater monitoring reports shall be submitted within 15 days after the quarter ends, with the first report submitted by April 15, 1999. A final groundwater sampling and analysis plan for side-wide groundwater monitoring, including any additional wells, if appropriate, shall be submitted by June 1, 1999.
 - (b) Quarterly gauging, sampling, and progress reports detailing all activities implemented and the results obtained during the previous quarter including product recovery, as required by this Order, shall be submitted within 15 days after the quarter ends, with the first report beginning April 15, 1999. With justification, Playa may request a change in the frequency of reporting for the Executive Officer's approval. These reports must contain, at a minimum, the following information:
 - (1) A summary of all ground water elevation measurements from mean sea level and depths to ground water from all site monitoring wells. Monitoring wells should be sounded for total depth at each gauging event. A list of all recovery wells actively remediating the site during the previous quarter.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

total volume of fluids, (hydrocarbon and water) recovered during each month of the previous quarter, cumulative volume of fluids recovered for the year, cumulative volume of fluids recovered since initiation of recovery. This information should be presented in tabular form to include well location (latitude/longitude) and on a plot plan depicting the location of the borings/wells with ground water contours depicting ground water flow direction and gradient information. Also, include a free phase hydrocarbon isothickness map and a dissolved phase contaminant isoconcentration contour map for contaminants of concern.

- (2) Analyses of all ground water samples collected from selected site monitoring wells during the sampling period, as approved by the Executive Officer, together with an evaluation of all test results. Ground water sample collection procedures and analyses shall be performed according to an approved work plan.
- (3) The above shall be submitted by hard-copy in a report and if requested, electronically in a format acceptable to the Executive Officer.

Activities completed during the reporting period and a final compilation of the activity modifications proposed for the next reporting period. All workplan modifications must be approved by the Executive officer.

- (c) Initiate a phased cleanup and abatement program with the cleanup of any remaining soil and groundwater contamination and the abatement of threatened beneficial uses of water as highest priority.

Continue operation of the existing free product recovery system by bailing to the greatest extent possible. The following reports shall be submitted for review and approval during each phase of the product recovery and remediation effort:

- (1) Propose soil and groundwater cleanup levels for the Dreamworks project by June 1, 1999. The cleanup levels shall be developed based on current USEPA and state guidelines.
- (2) Complete side-wide soil and groundwater assessment and remediation of contaminated areas to support site closure. A phased approach is acceptable due to the scale of the project. Soil and groundwater investigation workplans, including implementation schedule, for supplementing the data gap shall be submitted for review and approval according to the schedule listed in Attachment A.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

- (3) Soil remedial action plan, if necessary, shall be submitted within 75 days after completion of soil assessment in each phase and on or before the schedule specified in the Attachment A. The soil remediation shall be completed on or before the schedule specified in the Attachment A.
 - (4) Quarterly progress report shall be submitted within 15 days after the quarter ends, with the first report submitted by April 15, 1999.
 - (5) Evaluate the effectiveness of the existing groundwater treatment system. An evaluation report, including any proposed modification to improve the effectiveness of groundwater remediation at the Hughes site, shall be submitted by December 15, 1999.
 - (6) A site-wide groundwater remedial action plan, if necessary, shall be submitted within 75 days after completion of site-wide groundwater assessment.
 - (d) The activities specified in Items a, b and c above shall be conducted, as necessary, according to the schedule of work shown in Attachment A, or as subsequently revised and approved by the Executive Officer.
 - (e) A final report describing any completed activities, as detailed in Attachment A, and results shall be submitted to this Board within 75 days of completion of any phase of the soil and ground water investigation and cleanup is completed.
 - (f) The investigation and cleanup program shall be directed and conducted by a Registered Civil Engineer or Geologist, or a Certified Engineering Geologist or Hydrogeologist.
2. Any investigation and cleanup and mitigation activities required by this Order, currently in progress or conducted in the past, shall be included and made a part of the cleanup program.
3. Abandonment of any groundwater wells(s) at the site must be reported to the Executive Officer in advance. Any groundwater well removed must be replaced within three months at a location approved by the Executive Officer. With justification, the Executive Officer may approve of the abandonment of groundwater wells without replacement. When a well is removed, all work shall be completed in accordance with all applicable well abandonment requirements. Recently, wells have been abandoned due to the demolition project. The replacements for these wells shall be evaluated during the same time frame as the groundwater sampling plan mentioned above.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

4. Any non-hazardous contaminated material disposed off-site shall be at a legal point of disposal specifically approved by the Executive Officer and in accordance with requirements established by a California Regional Water Quality Control Board.
5. Any excavated hazardous waste that Playa transports off-site shall be transported to a legal point of disposal. For the purposes of this requirement, a legal point of disposal is one for which the requirements have been established by a California Regional Water Quality Control Board or the Department of Toxic Substances Control.
6. Neither the disposal nor any handling of waste on-site shall cause pollution at the site or unreasonable nuisance odor at the facility boundary.
7. The Regional Board's authorized representative shall be allowed:
 - (a) Entry upon premises where a regulated facility or activity is located, conducted, or where records are kept, under the conditions of this Order;
 - (b) Access to copy any records that are kept under the conditions of this Order;
 - (c) Access to inspect any facility, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Order; and
 - (d) Access to photograph, sample, and monitor for the purpose of assuring compliance with this Order, or as otherwise authorized by the California Water Code.
8. This Order is not intended to permit or allow Playa to cease any work required by any other Order issued by this Regional Board, nor shall it be used as a reason to stop or redirect any investigation or cleanup or remediation programs ordered by this Board or any other agency.
9. Playa shall provide to the Regional Board advance notice of any planned physical alterations to the facility or planned changes in the facility's activities that may affect compliance with this Order.
10. This Order does not exempt Playa from compliance with any other laws, regulations, or ordinances which may be applicable, nor does it legalize these waste treatment and disposal facilities, and it leaves unaffected any further restraints on those facilities which may be contained in other statutes or required by other agencies.

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
PLAYA CAPITAL COMPANY, LLC
CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

11. Playa shall provide to the Regional Board advance notice of any planned change in name, ownership, or control of the facility; provide notice to any succeeding owner or operator of the existence of Order by letter; forward a copy of such notification to the Regional Board.
12. This Order may be revised by the Regional Board through its Executive Officer as additional information on this site becomes available. The authority of the Regional Board, as contained in the CWC, to order investigation and cleanup additional to that described herein, is in no way limited by this Order.
13. This Order in no way limits the authority of the Regional Board as contained in the CWC, to require additional investigation and cleanup pertinent to this project. It is the intent of this Regional Board to issue Waste Discharge Requirements or other Orders pursuant to Sections 13260, 13304, and 13350 of the CWC when appropriate to facilitate this cleanup and abatement activity. Additionally, continued monitoring of the ground water quality beneath this facility after the completion of this cleanup and abatement activity may be required.
14. Pursuant to Section 13304 of the CWC, Playa shall reimburse the State Water Resources Control Board (SWRCB) for all reasonable costs incurred by the State Board and this Regional Board in overseeing the cleanup and abatement activities required by this Order.
15. Failure to comply with the terms or conditions of this Order may result in imposition of civil liabilities, either administratively by the Regional Board or judicially by the Superior Court in accordance with Section 13350 of the CWC, and/or referral to the Attorney general of the State of California for such action as he may deem appropriate.

Hereby ordered on December 22, 1998.

Ordered by: _____


DENNIS A. DICKERSON
Executive Officer

RC

PLAYA PHASE I COMMERCIAL LAND COMPANY, LLC
 PLAYA CAPITAL COMPANY, LLC
 CLEANUP AND ABATEMENT ORDER NO. 98-125

FILE NO. 98-192

ATTACHMENT A

ACTION REQUIRED

COMPLIANCE DATE

A. FREE PRODUCT RECOVERY

1.	Submit quarterly progress report on January 15, April 15, July 15, and October 15, each year	Start April 15, 1999
----	--	----------------------

B. GROUNDWATER MONITORING

1.	Submit a Interim Groundwater Sampling and Analysis Plan	January 15, 1999
2.	Begin quarterly groundwater monitoring	First quarter, 1999
3.	Submit quarterly monitoring report on January 15, April 15, July 15, and October 15, each year	Start April 15, 1999
4.	Submit a Final Groundwater Sampling and Analysis Plan	June 1, 1999

C. SOIL AND GROUNDWATER REMEDIATION

1.	Submit soil and groundwater cleanup levels	
	a. the Dreamworks project	June 1, 1999
	b. the overall project excluding the Dreamworks project	To be determined
2.	Submit Soil and Groundwater Investigation Workplan	
	a. the Dreamworks project	June 1, 1999
	b. Phase I project excluding the Dreamworks project	September 1, 1999
	c. Phase II project	To be determined
3.	Submit Soil Remedial Action Plan	
	a. the Dreamworks project	October 15, 1999
	b. Phase I project excluding the Dreamworks project	January 15, 2000
	c. Phase II project	To be determined
4.	Complete soil remediation	
	a. the Dreamworks project	October 15, 2002
	b. Phase I project excluding the Dreamworks project	January 15, 2003
	c. Phase II project	To be determined
5.	Submit quarterly progress report on January 15, April 15, July 15, October 15	Start April 15, 1999
6.	Submit Groundwater Treatment System Evaluation Report for the Hughes site	December 15, 1999
7.	Site-wide Groundwater Remedial Action Plan	To be determined

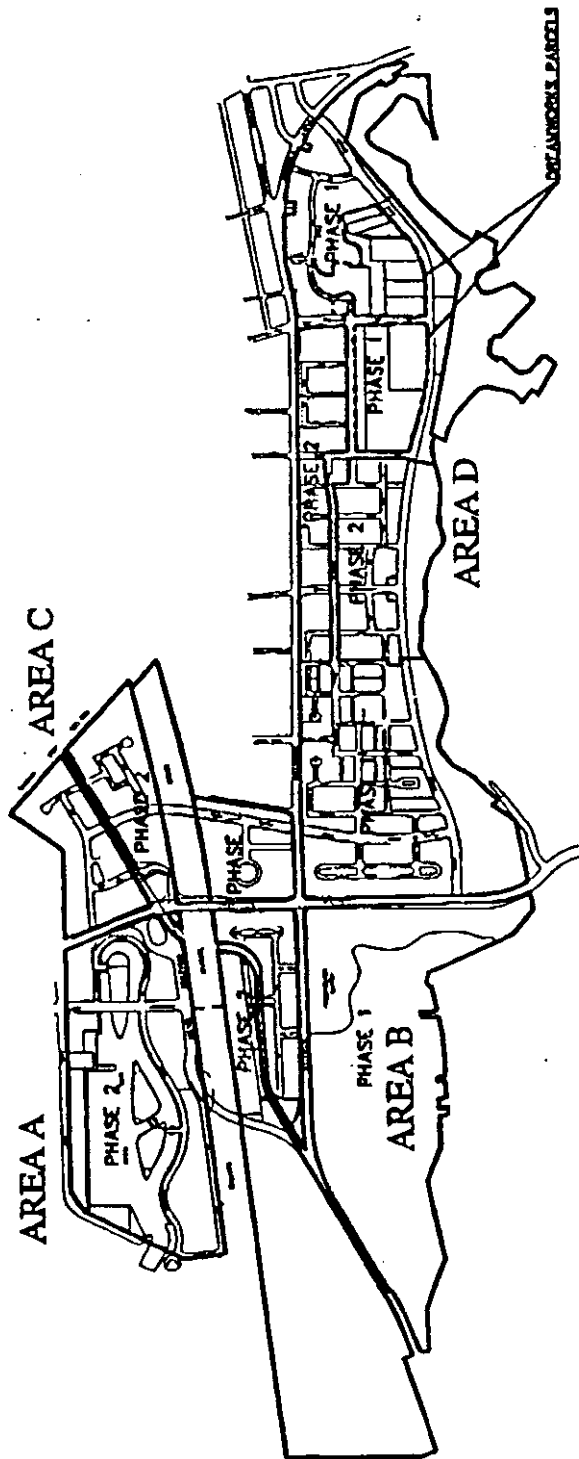


Figure 1 Playa Vista Property Map

PSOMAS

DATE: 12/17/99 REVISED ON:
JOB NO. 1000001173

Playa Capital Company, LLC
Playa Vista Development